

## State Water Resources Control Board

### Groundwater Quality Funding News: Site Cleanup Subaccount Program Announcing “Project Execution Plans” (as of June 16, 2016)

The UST Cleanup Fund (Fund) is now using a governing planning document called a Project Execution Plan (PEP). The Fund anticipates that using the PEP will result in a reduction in: 1) overall costs for a project, 2) excessive or unnecessary tasks performed, 3) project completion time, and 4) time to assign a project’s appropriate budget.

The PEP is used for all projects funded by the petroleum storage fee in the Fund. For petroleum UST cases, the PEP lays out a plan to get the site to case closure. The PEP lists the criteria in the UST Low-Threat Case Closure Policy (Policy) that have not yet been met and uses the list to define the tasks necessary to meet them. The PEP includes the proposed schedule and estimated costs. Together these define the PEP’s Multi-Year Budget Plan. The Multi-Year Budget Plan, like all site budgets, identifies the funds set aside for a claim from which to reimburse those costs that are determined to be reasonable and necessary upon review of reimbursement requests and supporting documentation. The current year budget shown on the Multi-Year Budget Plan is the Annual Site Budget. The PEP is reviewed at least annually and, as needed, updated to reflect current conditions and budget. In this way, the Annual Site Budget is set within the context of the entire PEP.

For Site Cleanup Subaccount Program (SCAP) projects, the PEP focus is the project scope of work and budget for the grant agreement or contract. SCAP projects that are not petroleum UST releases do not have tasks defined by Policy closure criteria.

The PEP is developed and concurred by the Fund and regulatory staff and the claimant with their consultant. This group is referred to as the project’s Joint Execution Team (JET). The PEP may be initiated by any JET member. Developing a PEP that reflects the requirements of the lead regulatory agency and the Fund, and the implementation considerations of the claimants/grantees with their consultants takes coordination. The process of developing the PEP provides a forum for all the parties involved with a case to communicate. Use of the PEP as a project’s governing document provides focus for all parties on the steps and costs to project completion.

After agreement on the contents of the PEP, it will be memorialized with a date and the parties who agreed. **The PEP must be reviewed for update at least annually to ensure the Annual Site Budget and future year cost estimates are appropriate. Any PEP**

**member may initiate a PEP review.** For petroleum UST cases, the current year budget in the PEP is the same amount as the annual site budget. Out-years' budget estimates are not set and are expected to be less accurate and subject to change as work progresses on a project. Each PEP update agreement will be memorialized.

**BE AWARE THAT A PEP, LIKE ALL BUDGETS, IS NOT A DETERMINATION OF REASONABLE AND NECESSARY COSTS. THIS DETERMINATION IS MADE BY FUND OR SCAP STAFF AFTER COSTS HAVE BEEN INCURRED AND SUBMITTED IN A REIMBURSEMENT REQUEST.**

#### **PEP Worksheets:**

The PEP is an Excel workbook with multiple worksheets. Each worksheet is designed to capture specific information pertaining to the project. The worksheets are as follows:

- Instructions for PEP Worksheet

The Instructions for PEP worksheet provides detailed instructions on which worksheets to complete in the PEP workbook and how to complete those worksheets. This worksheet should be followed to ensure that all information needed for PEP discussions are easily accessible. Questions should be addressed to the Fund's general email address: [ustcleanupfund@waterboards.ca.gov](mailto:ustcleanupfund@waterboards.ca.gov).

- Cover Page Worksheet

***No entry is required on this worksheet. The information on this worksheet is automatically filled from other worksheets in the PEP Workbook as they are completed.*** The Cover Page worksheet provides basic, high-level information about the project.

- Summary Page Worksheet

The Summary Page Worksheet provides a summary of the conceptual site model (CSM). In addition, it identifies the project goals or closure criteria that have not yet been met, and the tasks needed to meet the unmet project goals or closure criteria, a task schedule, and estimated budget for each task shown by fiscal year. ***Some fields are automatically filled from other worksheets.*** It is expected that most JET discussions will be related to entries on the Summary Page Worksheet.

- Multi-Year Budget Plan Worksheet

***No entry is required on this worksheet. The information on this worksheet is auto-filled from the Summary Page and Detailed Cost Estimating Worksheets. The Budget Category by Fiscal Year field is for Fund staff use only.*** The Multi-Year Budget Plan Worksheet is the multi-year budget plan, with the current year showing the

annual site budget, and out-years as estimates. This worksheet summarizes the information contained in the Summary Page and Detailed Cost Estimating Worksheets. This is not a pre-approval that costs to be incurred in the future are reasonable and necessary and eligible for reimbursement.

- Detailed Cost Estimating Worksheets

Individual worksheets for each work phase should be filled in, reflecting cost estimates for labor and materials associated with the tasks to be performed as shown on the Summary Page Worksheet. It is expected that JET discussions will occur related to entries on these worksheets as the basis for the annual site budgets. Site Location Map Worksheet  
A current site location map should be added to this worksheet to assist with the PEP development. The most recent version of the site location map should include: the entire site, adjacent streets, a north arrow, a scale, and other information used to locate the site.

- Remediation Information Worksheet (if applicable)

***This is the same information as the Remediation Information Form.*** If your project is operating, or plans to operate, a remediation system, then this worksheet should be completed. The information contained on this worksheet will help the project planning efforts because all parties will be able to determine whether remediation efforts are effective.

The PEP Excel Workbook can be obtained from the UST Cleanup Fund's website at:  
[http://www.waterboards.ca.gov/water\\_issues/programs/ustcf/forms.shtml](http://www.waterboards.ca.gov/water_issues/programs/ustcf/forms.shtml).

**IMPORTANT:** The UST Cleanup Fund, in conjunction with the Office of Enforcement Fraud, Waste, and Abuse Unit, routinely audits, investigates and, as necessary, prosecutes for fraud, waste, and abuse against the program. Each claimant is responsible for actively monitoring its consultant and thoroughly examining costs in RRs submitted to the UST Cleanup Fund. Claimants should question costs that are not clear or appear inconsistent with activities being conducted at the site. Consultants should use professional judgment and raise issues to their claimants, regulatory agency, and the UST Cleanup Fund. Consultants should also ensure invoices adhere to requirements as stated in Health and Safety Code section 25299.57(b)(2)(C) and Fund Regulations section 2812(d). All claims are subject to audit at any time. Claimants and their consultants should maintain an accurate record-keeping and financial management system that provides efficient accountability of all reimbursed funds used to clean up the above-mentioned site. Retain records continually for at least three years after final payment from the UST Cleanup Fund. The retention period shall be extended until completion of any audit in progress. Announcing PEP 4 Revised 06/16/2016

**~~~HELPFUL LINKS~~~**

UST Cleanup Fund Website:

[http://www.waterboards.ca.gov/water\\_issues/programs/ustcf/](http://www.waterboards.ca.gov/water_issues/programs/ustcf/)

Site Cleanup Subaccount (SCAP):

[http://www.waterboards.ca.gov/water\\_issues/programs/grants\\_loans/scap/](http://www.waterboards.ca.gov/water_issues/programs/grants_loans/scap/)

Link to Project Execution Plan:

[http://www.waterboards.ca.gov/water\\_issues/programs/ustcf/docs/project\\_execution\\_plan\\_r1.xlsm](http://www.waterboards.ca.gov/water_issues/programs/ustcf/docs/project_execution_plan_r1.xlsm)

**~~~CONTACT US~~~**

If you have any questions, please contact us by email to:

[ustcleanupfund@waterboards.ca.gov](mailto:ustcleanupfund@waterboards.ca.gov)

Subject Line: "Project Execution Plan"

OR

Email SCAP questions to:

[gwquality.funding@waterboards.ca.gov](mailto:gwquality.funding@waterboards.ca.gov)

Subject Line: "SCAP PEP"

Email inquiries will be responded to within 48 hours.

Telephone Message Line: 1-800-813-Fund (3863)

Telephone messages will be responded to within 48 hours